



MEMORANDUM

To: State Board of Education

From: Melissa K. Ambre, Director
Office of School Finance

Date: March 18, 2013

Subject: Common School Fund Loans

Based on information provided by the State Treasurer's Office, there are currently unreserved funds available for advancements from the Common School Fund (CSF). The unreserved funds available support multiple requirements.

We are required to award common school advancement loans to charter schools in their first year to provide operating funds until tuition support distributions begin, which is approximately six months after the schools begin operations. To date, fifteen charter schools are approved for opening with the 2013-2014 school year. Additionally, several established charter schools may experience growth and qualify for additional common school loan funds. Based on the statutory formula for these loans, we are reserving funds for the Charter School Advancement Loans.

Second, we are required to set aside \$5,000,000 for loans from the School Technology Advancement Account.

After setting aside funding for the two programs described above, the Department requests that the State Board of Education designate \$50,000,000 of the unreserved balance for construction and technology loans. The applicable amounts would be \$25,000,000 for construction loans and \$25,000,000 for technology loans with applications to be accepted for both loan types from April 5, 2013 through May 3, 2013.

Indiana Department of Education

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